

Wes Moore, Governor Aruna Miller, Lt. Governor Paul G. Pinsky, Director

Maryland Energy Administration Request for Information for the following U.S. Department of Energy Inflation Reduction Act programs:

- 1. Home Efficiency Rebates Program
- 2. Home Electrification and Appliance Rebates Program
- 3. State-Based Home Energy Efficiency Contractor Training Grant Program (also known as Training for Residential Energy Contractors)

The Maryland Energy Administration is seeking feedback from the contractor community that installs energy efficiency and electrification measures in residential homes and multifamily buildings, as well as training organizations, labor groups, community based organizations, and any other interested parties, on how Maryland's applications to the three (3) federal programs listed below could best be shaped to maximize benefits for the State.

- Home Efficiency Rebates Program
- Home Electrification and Appliance Rebates Program
- State-Based Home Energy Efficiency Contractor Training Grant Program (also known as Training for Residential Energy Contractors Grant Program)

Background:

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Home Efficiency Rebates Program and Home Electrification and Appliance Rebates Program

The Maryland Energy Administration (MEA) is Maryland's state energy office (SEO). As the SEO for Maryland, MEA will be the recipient for the Home Efficiency Rebates Program (HOMES) and the Home Electrification and Appliance Rebates (HEAR) Program being funded through the U.S. Department of Energy (DOE) through the Inflation Reduction Act (IRA). The HOMES program is focused on whole-home energy efficiency upgrades, while the HEAR program addresses home electrification. The Department of Energy requires that both the HOMES and HEAR programs contain dedicated allocations for low-income households; additionally, the federal legislation establishing the HEAR electrification program limits electrification incentives to only households with incomes that meet the definitions of low-income or moderate-income.¹

¹ The HOMES minimum allocation is \$16.676 million for low-income households and \$4.116 million for multifamily low income households. The HEAR minimum allocation is \$16.579 million for low-income households and \$4.092 million for low-income multifamily households.

Funding from the HOMES and HEAR programs "will help American households save money on energy bills, upgrade to clean energy equipment, improve energy efficiency, improve their comfort, support a stable power grid, and reduce indoor and outdoor air pollution. Additionally, these rebates provide specific opportunities to increase the installations of efficient, clean energy equipment in underserved and underrepresented communities."

Department of Energy-stated goals for the HOMES and HEAR Programs:

- Well-established exemplary and innovative efficiency and electrification programs.
- Widespread access and uptake for disadvantaged communities.
- Proven value streams and roles for sustained investments to continue market transformation.
- Reduced pollution from buildings in support of the clean energy economy.

While these goals indicate the overall intent of the programs, Maryland has the flexibility to develop an implementation plan that meets the specific needs of the state while supporting the outcomes stated above.

Full details on the HOMES and HEAR Programs can be found in the <u>Home Energy Rebates</u> <u>Program Administrative and Legal Requirements Document (ALRD)</u> published by DOE.

Training for Residential Energy Contractors Grant Program

To aid in the implementation of the HOMES and HEAR programs, DOE is also providing \$2.5 million to Maryland to provide contractor training support for the type of residential improvements that will be occurring under the HOMES and HEAR programs through the Training for Residential Energy Contractors (TREC) Grant Program, which engages with multiple single-family homes and/or multifamily buildings for the purpose of combining or streamlining projects

Funding from the TREC program is to be used to "provide States the ability to develop and implement a state workforce energy program that prepares workers to deliver energy efficiency, electrification, and clean energy improvements, including those covered under the Home Efficiency Rebates Program (HOMES) and the Home Electrification and Appliance Rebates Program (HEAR)".

Department of Energy-stated goals for the TREC Program:

- Reduce the cost of training contractor employees by providing workforce development tools for contractors, their employees, and individuals including, but not limited to, subsidizing available training, testing, and certifications
- Provide testing and certifications of contractors trained and educated to install home energy efficiency and electrification technologies and deliver residential energy efficiency and electrification improvements, and

 Partner with nonprofit organizations to develop and implement a State-sponsored workforce program that attracts and trains a diverse set of local workers to deliver the influx of new federally funded energy efficiency and electrification programs — including but not limited to the IRA-funded Home Energy Rebate programs (IRA Sections 50121 and 50122)

Full details on the TREC Program can be found in the <u>Training for Residential Energy</u> <u>Contractors Administrative and Legal Requirements Document (ALRD)</u> published by DOE.

This Request for Information (RFI) is being issued to seek preliminary feedback on the State's implementation of the HOMES, HEAR, and TREC programs, and will be used to help inform Maryland's application for administrative funds to develop the HOMES and HEAR programs, as well as Maryland's application to the TREC program.

NOTICE:

All information submitted to this RFI is subject to the Maryland Public Information Act (PIA). If the respondent believes information they provide is confidential and therefore should not be disclosed, the respondent should clearly mark this information in their response. Upon request for information from a third party, MEA is required to make an independent determination whether the information must be disclosed under the PIA. Designating information as confidential does not guarantee that it will be withheld from disclosure.

Deadline for Feedback:

MEA is requesting that comments in response to this request for information be submitted via Google Form

(https://docs.google.com/forms/d/e/1FAIpQLSdjHs-6yC5BE09oOwCK_dpXsslZKyKdm6ciqfFNH_1fr4tGG8g/viewform?usp=sf_link) by no later than Friday, December 8, 2023. MEA may continue to receive comments after the deadline, but comments received by this date may be most impactful.

If you cannot access the Google Form, please send your responses to federal.mea@maryland.gov with "HOMES/HEAR/TREC RFI Comments" in the subject line and the questions you are answering clearly specified.

Topics for which feedback is being sought:

MEA is interested in receiving feedback on the following topics related to the HOMES, HEAR, and TREC programs. There is also an opportunity for more open-ended feedback at the end of the survey. Respondents can respond to some or all of the questions below.

Name of your Organization:

Please provide the name of the organization that you represent. If you are submitting as an individual, you can simply note "individual" followed by your name in the space below.

About your Organization:

Please provide a brief description, including scope, scale, and sector, of your organization or industry, if applicable. Also, describe your interest in the HOMES, HEAR, and/or TREC programs. What is the best way to reach you and your peers with further information regarding the three (3) programs?

Equitable Access to Rebates:

- What feedback do you have for MEA regarding equitable access to funding under the HOMES and HEAR programs, particularly regarding the transition to electrification?
- DOE has established a goal of at least 40% of funds going towards <u>disadvantaged</u> <u>communities</u>, which DOE defines as a census tract with environmental, climate, or other burdens, and 2) an associated socio-economic burden.² In terms of delivering energy efficiency or electrification upgrades or training to communities defined as disadvantaged communities by DOE, where do you see needs and what suggestions do you have for meeting those needs?
- How does MEA ensure that these programs are accessible to individuals for whom English is not the primary language?
- What is the best method for getting home- and building owners the most accurate information regarding the environmental, health, and cost impacts of electric appliances and energy efficient homes?
- How should the funds be divided between the low-income, moderate-income, and market-rate segments and why?
- How can MEA promote electrification in rural areas where propane and oil are particularly prevalent?

Markets and Projects:

- For single family homes: What does MEA need to know about the current state of the market and projects involving residential energy efficiency and electrification, especially to make HOMES and HEAR successful?
- For multifamily homes: What does MEA need to know about the current state of the market and projects involving energy efficiency and electrification in <u>multifamily</u> buildings, especially to make HOMES and HEAR successful?
- How should the HOMES and HEAR programs integrate with existing energy programs already available in the state?

Business Models:

- While rebates can be offered on an applicant-by-applicant basis, the HOMES and HEAR
 program also allow for aggregators that would engage with multiple single-family homes
 and/or multifamily buildings for the purpose of combining or streamlining projects. What
 are examples of business models that aggregator organizations could potentially use to
 distribute funding?
- Is there anything that MEA needs to know regarding the business models for contractors serving individual clients (i.e., one client equals one project)?

² https://www.energy.gov/diversity/justice40-initiative

- How does your business model support local good paying jobs and economic development within your industry?
- What should MEA keep in mind regarding the customer experience of potential future rebate recipients and beneficiaries?

Training and Certification:

- What are the current industry requirements for energy efficiency and electrification?
- From what organizations (and locations) do you currently get energy efficiency and electrification training?
- What feedback do you have for MEA regarding the types of training and/or certification needed for professionals to deliver energy efficiency and electrification, especially to deploy the HOMES and HEAR programs? Professions can include energy auditors, HVAC contractors, plumbers, electricians, and home performance contractors.
- What other training avenues or topics would support Maryland's transition to electrification? Are there any new training needs arising from the increasing numbers of fossil fuel to electric conversions?

Barriers and Gaps:

- What does MEA need to know about the barriers and gaps related to training, education, and certification for energy efficiency and electrification?
- What resources would benefit business owners, including new and aspiring business owners, that may wish to participate in the HOMES or HEAR programs?
- How can MEA support contractors in disadvantaged communities, in regards to participating in the HOMES and HEAR programs?

Employees:

- What does MEA need to know about the employees who could benefit from training and certification programs that may be supported through the TREC Program?
- What are best practices for finding new employees to build the workforce and current employees for further training, especially in disadvantaged communities?
- What training is needed to help employees build skills in order to advance and achieve higher levels of compensation commensurate with skill development and growth? What are typical career pathways in energy efficiency and electrification? How much training and experience working on-the-job is typically needed for each rung of each career pathway?
- For employees to participate in and successfully complete training, what additional wrap-around services (for example: child care and/or transportation costs) are needed?

Community Based Organizations:

 What does MEA need to know about the nonprofit organizations within the energy efficiency and electrification sector, or within the contractor training sector, that may be working with the HOMES or HEAR programs?

- What barriers and challenges do non-profit organizations working to bring energy efficiency and electrification to disadvantaged communities face and what solutions could help overcome these challenges?
- What nonprofit organizations within Maryland would you recommend for MEA to consider for partnership with HOMES, HEAR, and TREC, particularly in regards to reaching disadvantaged communities?

Additional Feedback:

Is there any other information that MEA should consider while developing the applications for these opportunities, as well as developing the associated programs? What topics should MEA research to support pursuing these opportunities?

Stakeholder Updates:

If you are interested in getting updates regarding HOMES, HEAR, and TREC, including possible future stakeholder listening sessions, as well as updates on other MEA energy programs, please follow MEA on social media at Facebook | X, formerly known as Twitter | LinkedIn.